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ECE OPERATIONAL ACTIVITIES

Note by the Executive Secretary

The operational activities carried out by ECE aim at assisting countries in implementing ECE's instruments (conventions, norms, standards and guidelines) or in following agreed policies and best practices.

The reflections of the secretariat about its operational activities take into account the debate by subsidiary bodies on operational activities and the external auditors' comments, and lead to the proposals contained in the document, of which the following are highlighted:

- operational activities should be based on results of intergovernmental discussions and on actual ECE expertise (paragraph 5)
- high priority should continue to be given to demands from, and for projects in, CIS and Balkan countries (paragraph 12)
- parallel development of both country specific and subregional programmes continues to be an appropriate approach; interregional cooperation and cross sectoral programmes should also be developed (paragraphs 13-15)

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- ECE needs more extrabudgetary funding and it is proposed that countries which do not have ECE on their list of eligible institutions for receiving funds for operational activities should now include it (paragraph 27)
- as discussed in paragraphs 31-36, better coordination of all operational activities, as well as mechanisms for systematic feedback and evaluation, are required.

1. A key responsibility of ECE is the promotion, dissemination, diffusion and implementation of its instruments (conventions, norms, standards and guidelines). In its areas of competence it also has to facilitate exchanges of experiences, to inform on best practices and to promote agreed policies. The activities related to this responsibility benefit all member countries directly, for obvious reasons, and indirectly, as instruments developed by ECE are all the more efficient when they are used by all its members. For the purposes of this paper, such activities are called operational when they are directed at countries with structural weaknesses which require *assistance* in implementing these instruments or following agreed policies or best practices. It is considered that this assistance will contribute to strengthening their institutions and facilitate their integration with the European and global economies.

2. ECE's operational activities are carried out by its Regional Advisers and by the Coordinating Unit for Operational Activities as well as by a number of "regular staff" who are also involved, at times, in the delivery of such activities.

3. The addendum to this document summarizes the diverse operational activities carried out by ECE since the fifty-forth session of the Commission. On the one hand, the evaluation of such activities is positive: the activities requested by subsidiary bodies have, ex post, been favourably reviewed by them and similar activities have been requested for the future; countries have expressed appreciation for the advice provided by Regional Advisers and the demand for their services exceeds their capacity. On the other hand, the External Auditors, who, at ECE's request recently conducted a review of the role of the Coordinating Unit and the Regional Advisers, concluded that the objectives and impacts of the Unit and the Regional Advisory Programme were being compromised by certain weaknesses:

- lack of strategic planning. The Auditors acknowledge that it is difficult as the activities of the Regional Advisers are demand-driven. They recommend that they maintain an annual work plan;
- insufficiency of extra-budgetary funding;
- no fund-raising strategy.

The Auditors did not review the operational activities carried out by the regular staff at the request of the subsidiary bodies.

4. The secretariat has therefore held extensive discussions on the goal of operational activities and on whether the existing resources are being used in the best way to achieve maximum impact. The results of these discussions are developed below under the following headings:

- The objectives of operational activities
- Priorities: exploiting ECE advantages
- Cooperation with partner institutions
- Involvement of governments
- Funding operational activities
- ECE's mechanism and structure for operational activities, their monitoring and evaluation

I. THE OBJECTIVES OF OPERATIONAL ACTIVITIES

5. The definition of operational activities is set out in paragraph 1 above. It implies that these activities aim at enhancing the implementation of ECE conventions, protocols, norms and standards, promoting best practices and agreed policies and supporting European cooperation and integration and the transition process. To a great extent, the operational activities pursued thus far by ECE comply with the above-mentioned objectives. Sometimes, however, they go beyond and are not based on the results of ECE intergovernmental discussions or negotiations or on actual ECE expertise. This should be avoided in the future and ECE operational activities should be focussed on its actual expertise.

Implementation of ECE's instruments

6. An important share of ECE's operational activities derives from decisions made by Principal Subsidiary Bodies (PSBs) and their subsidiary bodies and serves to enhance the implementation of agreed ECE-developed legal instruments and policies in countries which need assistance in institution and capacity building, key factors for progress in transition. The implementation of such instruments is in the interests of all ECE members since the benefits of transboundary instruments are far greater if applied by all member countries and harmonization of rules and policies facilitates pan-European cooperation.

Promotion of best practices and agreed policies

7. ECE's intergovernmental framework allows it to identify best practices in institution building and policy formulation, in all areas of its activities, operational or not, in western Europe

and in a number of countries which are more advanced in the transition process. The use of these best practices should be promoted in countries less advanced in the transition process

Support to European cooperation and integration

8. Support to European cooperation and integration arises from the fact that many of ECE's instruments address transboundary issues, which in fact or potentially are shared by all member countries. Moreover, since they are all implemented by EU countries, they are also part of the "acquis communautaire". In addition, and this is important, ECE has the proven capacity to add a regional dimension to national perspectives by gathering countries of a subregion around the same table to solve, in all areas of its expertise, technical problems of common concern.

Support to the transition process

9. Capacity building has emerged as a core goal in all UN system operational activities. This effort, which contributes to better governance and the rule of law, needs to be sustained over several years since it takes time for institutions to work effectively. ECE contributes to this effort in line with paragraphs 5, 6 and 7 above, through workshops and seminars, by establishing and facilitating access to networks of experts and policy-makers, by helping in the elaboration of projects and proposals and by assisting in their implementation.

10. While continuing these well-established forms, innovation in the delivery of technical cooperation can be promoted by adopting new techniques such as distance learning, cooperating with research institutions, bench-marking and developing performance indicators.

11. It is important to reiterate that participation in ECE Committees, Convention Bodies and Working Groups contributes to the development of networks among officials exercising similar responsibilities. It may facilitate bilateral cooperation and improve the expertise of all participants.

II. PRIORITIES: EXPLOITING ECE ADVANTAGES

12. Among the countries with economies in transition, some are less advanced than others in the transition process to fully fledged market economies. It is proposed to continue to give high priority to demands from, and for projects in, CIS and Balkan countries.

13. In the perspective of European integration, it is considered that operational activities can be more efficient and effective if provided in a framework of subregional programmes. In addition,

as a neutral forum, ECE is well placed to develop such programmes and it has gained expertise with the Southeast European Cooperative Initiative (SECI) and the Special Programme for the Economies of Central Asia (SPECA). Political constraints, however, often tend to slow down the development and implementation of subregional programmes. This is the case in the Caucasus for which, in principle, a subregional approach would be appropriate. Therefore, parallel development of both country specific and subregional programmes, as is currently done, would appear to be the appropriate approach.

14. In addition to the above-mentioned subregions, ECE member States have expressed interest in developing operational activities of direct interest to the Mediterranean countries. Several concrete proposals have been formulated for conferences and projects in the areas of energy, environment, transport, trade facilitation and statistics. The possibility of developing cooperation with ESCWA and ECA on joint Mediterranean projects would serve to increase interregional cooperation and might facilitate fund-raising, which has always been a major impediment to implementing projects in this subregion. The Senior Adviser shared between the Department of Economic and Social Affairs (DESA), UNCTAD and the five regional commissions for the development of interagency programmes will help some of the Mediterranean projects to materialize.

15. Another potential advantage of ECE which should be exploited in operational activities is its multi-sectoral nature. Already the Environmental Performance Reviews mobilize several Ministries at the country level and constitute what should be considered as one of the most successful operational activities. The Joint Programme of Action for Transport and Environment and the Health and Environment Protocol, which are interlinked and which involve several ministerial departments for their implementation, as well as gender mainstreaming, could lead to cross sectoral programmes. It is proposed that the Coordinating Unit support or develop such programmes with the Divisions concerned.

III. COOPERATION WITH PARTNER INSTITUTIONS

16. Close cooperation between ECE and other organizations and institutions in Europe can help to enhance ECE's profile, increase the effect of its programme delivery, mobilize resources and ensure their best use. It would also discourage other Organizations, because of lack of knowledge, from proposing instruments incompatible with those developed in ECE and/or from undertaking overlapping activities. As an illustration, some countries have considered undertaking, in the framework of OSCE, a project similar to the project of SPECA for water and energy for which ECE has received a contribution from the Development Fund of the General Assembly. The Secretary-General of OSCE and the Executive Secretary of ECE have had

conversations on the matter and would like to unite their efforts. It is hoped that member countries will support this approach which would be consistent with their general stand to avoid duplication.

17. Within the UN system, it is hoped that cooperation in the area of operational activities will be enhanced in the context of the United Nations Development Assistance Framework (UNDAF), which is currently being developed. ECE should intensify its efforts to involve the Resident Coordinators more in its operational activities and will follow the development of UNDAF more closely.

18. ECE's participation in SECI and in the Stability Pact Working Table on Economic Reconstruction, Development and Cooperation has opened the door to greater cooperation between ECE, the EC, international financial institutions and other organizations involved.

19. Cooperation with the EC Directorates in all areas of ECE's competence has been fruitful at the technical level and financing has been provided for some projects. It is hoped that ECE will be the implementing agency for some specific projects: EUROSTAT has already taken an initiative in this direction for the improvement of statistics in the Balkans. More generally, as the enlargement process mobilizes more and more attention and resources in the EC, the ECE could increase its activity in other parts of Europe for the promotion of its instruments which, as mentioned above, are part of the "acquis communautaire" and would promote unity in Europe.

20. Subregional organizations or initiatives such as the Black Sea Economic Cooperation (BSEC), Central European Initiative (CEI) or Commonwealth of Independent States (CIS), are, or could be, partners providing an institutional framework and a geographical focus to help achieve the objectives of ECE's operational activities. This depends, however, on the capacity of their secretariats and on the will of their member countries to use pan-European instruments as a basis for closer subregional cooperation.

21. ECE is also well-placed to promote dialogue between the public and private sectors. ECE operational activities, such as those related to the UN/ECE BOT Group or the Human Settlements Advisory Network, permit such a dialogue. The Gas Centre, which gathers together major gas enterprises, allows participants to cooperate on technical issues and to exchange views on governmental or EU policies. The feedback to governments is done through the Working Party on Gas. Governments may wish to consider encouraging similar arrangements for steel and chemicals and for major utilities, privatized or not. Such dialogue between the public and private sectors should, of course, be open and subject to transparent rules of procedure.

22. Cooperation with non-governmental organizations could help to achieve some of the objectives of ECE operational activities, in particular in the implementation of the Aarhus Convention.

IV. INVOLVEMENT OF GOVERNMENTS

23. The increased demand for operational activities by Governments on the one hand and the limited human and financial resources available on the other, require a more active involvement of ECE countries benefiting from operational activities in directly supporting them. The use of national expertise in the implementation of operational activities and the involvement of local partners contribute to the quality of these activities and projects themselves and to the sustainability of their outcome. As a rule, recipient countries should therefore provide in-kind or local contributions.

24. In addition, ECE could help those countries less advanced in the transition process to draw upon the experience of those more advanced. It is proposed to establish a roster of national experts and advisers in every area of ECE operational activities with the assistance of the countries concerned.

V. FUNDING OPERATIONAL ACTIVITIES

25. ECE's operational activities are primarily funded by that section of the regular budget covering regional advisory services (salaries and travel costs) and by extrabudgetary funds, in most cases in the form of earmarked contributions for specific projects. In addition, as noted above, regular staff spend part of their time in organizing seminars, workshops and study tours decided by subsidiary bodies.

What is needed?

26. Obviously there is a need for more resources simply to finance activities where ECE is judged to have unique expertise and to be the most cost efficient institution to provide assistance. (Member States are invited to compare the cost of a seminar organized by ECE with one organized by any other organization.) In this connection,

- the Trust Fund for Assistance to Countries in Transition (TFACT) should be replenished in an unearmarked fashion; this would increase the possibility of financing participants from countries most in need to allow them to attend capacity building and other relevant events;

- concerning projects, some flexibility should be introduced in the use of funds, also to facilitate the participation of experts with insufficient funding to cover travel costs.

- funds for advisory services in specific fields, including gender mainstreaming, would be needed to complement the existing pool of Regional Advisers. By engaging experts on short term contracts, maximum utilization of the funds would be ensured; moreover, the fields of expertise could be changed according to need.

Why not more resources?

27. As long as ECE is not considered by donor countries and funding institutions as a normal and efficient channel for delivering assistance to the transition process, its extrabudgetary contributions will remain uncertain and unpredictable, despite the fact that ECE receives numerous and increasing requests from member States to extend its operational activities and has a good record in delivering these activities. This omission, which dates back to the Cold War era, is no longer appropriate now that there is both the need for institution building in countries with economies in transition and given ECE's positive record of operational activities. It is proposed that countries which do not have ECE on their list of eligible institutions for receiving funds for operational activities should now include it.

What should be done and why

28. The benefits of more predictable and sustained financing for operational activities are obvious: it would allow for a more strategic approach and more focussed planning. How to achieve this is less obvious; certainly, the proposal made in paragraph 27 above is an element. However more is necessary and the secretariat appeals to member countries to reflect on this issue and to provide constructive suggestions during the debate on this item.

29. For its part, the secretariat considers that the increased commitment and goodwill of donors to provide resources for ECE operational activities might be enhanced by better information on its available expertise, past achievements in operational activities, and potential new projects for funding. A booklet containing this information might help to disseminate such information among prospective donors. Moreover, as part of the planning process, the Coordinating Unit could prepare, as is done for donor conferences, a consolidated list of proposals which could be financed. Such lists would not in any way be a substitute for the individual fund-raising efforts carried out by staff involved in individual projects but would provide a view of the total number of funding proposals. Such lists could also be made available to the relevant Committees, the Commission and private sector partners in a more systematic way than is currently done.

VI. ECE'S MECHANISM AND STRUCTURE FOR OPERATIONAL ACTIVITIES, THEIR MONITORING AND EVALUATION.

30. As stated above, the policy guidance provided by ECE's subsidiary bodies underpins many of ECE's operational activities. This is important as it allows ECE to adjust its activities to new policy objectives and Governments to monitor their realisation. It also allows for an updating and upgrading of the expertise needed for operational activities.

31. What is also needed, however, is better coordination of all these activities so as to maximize their impact. While the Plan of Action foresaw the Coordinating Unit's coordinating role on a "when necessary" basis, experience has shown that a more systematic approach is needed. Indeed, the Auditors recommended that ECE should strategically plan and monitor its operational activities as far as possible and that as a minimum a schedule of Regional Adviser missions should be maintained so as to exploit potential economies of scale and synergies.

32. The Coordinating Unit will therefore undertake this task in close cooperation with the Divisions. Henceforth, as is already done by some, each Regional Adviser will, under the guidance of the Director of the Division to which he/she is attached, establish a Work Plan for his/her activities which will clearly show the link between the proposed activities, the policy direction provided by PSBs and the broad orientations adopted by the Commission at its Annual Session on the basis of this note.

33. The Coordinating Unit will secure the consistency of these Work Plans with the orientations given by the Commission, monitor their implementation in consultation and cooperation with the Directors and suggest cross sectoral activities as appropriate.

34. It will also have a central role in fund-raising as discussed above and will also work with the divisions in fostering partnerships with other institutions.

35. The Coordinating Unit could also have a role in analysing why some countries are better able than others to apply the advice provided. This is linked to the whole question of feedback. In this connection, feedback from participants in operational activities such as workshops is often provided to policy makers in the various technical committees so as to facilitate decisions concerning future activities. However, such feedback could be more systematic so as to allow all concerned, including senior management and the Commission, the benefit of such information. This would greatly facilitate the evaluation of the impact of operational activities.

36. In future, ECE plans to undertake evaluations of its activities. The implementation of a system for this purpose will permit a more systematic assessment of the relevance and usefulness of ECE's work, including its operational activities.